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MR. SPEAKER :—" The question is—

' That in proviso to sub-section (3) (*a*) after the word " Bench " occurring in the line 4, *insert* the following words " to be constituted under this clause ".' "

The amendment was put and carried.

* SRI P. S. KRISHNASAMY AYYANGAR :—" Sir, in sub-clause 3 (*c*) mention has been made about the difference of opinion between the members constituting the Bench on any 'point.' The ' point ' may be a ' point of law ' or a ' point of fact '. With regard to a ' point of law ' provision is made in the proviso to the sub-clause but with regard to a ' point of fact ' no provision is made If there is difference of opinion as to whether a point is on a ' point of fact ' or a point of law what is to be done? Therefore, instead of the word ' point ' the words ' point of fact ' should be there."

THE HON. SRI C. RAJAGOPALACHARI :—" Many more difficulties will be raised. We may leave them to the lawyers concerned."

Clause 2 as amended was put and carried.

MR. SPEAKER :—" The question is—

' That the Bill as amended be passed into law.' "

The motion was put and carried and the Bill was passed into law.

MR. SPEAKER :—" The House will now adjourn for lunch and meet again at 2-30 p.m."

The House then adjourned for lunch.

(After lunch—2–30 p.m.)

(3) THE MADRAS CONTINGENCY FUND BILL[a], 1953.

* THE HON. SRI C. SUBRAMANIAM :—" Sir, I beg leave to introduce the Madras Contingency Fund Bill, 1953 and move—

' *That the Bill be taken into consideration at once.*'

" This is a very formal Bill. As hon. Members are aware, the Government cannot draw money from the Consolidated Fund except under the authority of the Legislature. It is only for that purpose, after we vote the various Grants, we pass, what is known as the Appropriation Bill, giving authority to the Government to draw money from the Consolidated Fund of the State. But, apart from the Budget proposals, for which sanction is granted by the Legislature, the Government may have to undertake new schemes which have not been contemplated at the time of making the Budget proposals and those cases have to come up before this House again by way of Supplementary Demands. Before we get authority from the Legislature, it is necessary to incur some expenditure. For that purpose, we constitute, what is known as, the Contingency Fund. From that Fund, the Governor is

[a] Published in the *Fort St. George Gazette*, dated 9th December 1953.

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authorized to advance money to the Government for being utilized on New Services. Later on, when the Legislature sanctions the expenditure and votes the Grant, this money is put back into the Contingency Fund so that the Contingency Fund, at the end of the year, will remain at the same figure. We had the Contingency Fund Act of 1950 with reference to the State as a whole, providing one crore of rupees for this Fund. After the separation of the Andhra State, the balance left over is only about forty or fifty lakhs of rupees which will go back to the Consolidated Fund. That is why a new Bill with reference to our residuary Madras State has been brought forward, and it is proposed that a sum of Rs. 75 lakhs may be constituted as the Contingency Fund. Therefore, I would request the hon. Members to pass this Bill.''

MR. SPEAKER :—'' Motion moved—

'That the Madras Contingency Fund Bill, 1953, be taken into consideration at once.' ''

SRI K. P. GOPALAN :—'' Sir, I move—

'*That the Madras Contingency Fund Bill*, 1953, *be referred to a Select Committee*'.''

SRI S. RAMALINGAM :—'' Sir, I second the amendment.''

MR. SPEAKER :—'' Amendment moved—

'That the Madras Contingency Fund Bill, 1953, be referred to a Select Committee.' ''

The motion and the amendment are now before the House for discussion.

SRI K. P. GOPALAN :—'' Sir, the Statement of Objects and Reasons appended to the Bill is very vague and not at all clear. In that statement, it is merely stated that 'it is proposed to re-constitute the Contingency Fund for the residuary State of Madras consisting of a sum of Rs. 75 lakhs to be transferred from the Consolidated Fund of the State'. Even the Hon. the Minister for Finance, in his speech, did not give full explanation as to the purpose of this Bill. In the Budget, there is already provision for discretionary grants. Moreover, the sum of Rs. 75 lakhs is a very huge amount though I may say that there should be some amount left in the hands of the Governor for discretionary purposes. We are meeting very often,—I think every two or three months—and whenever any emergency arises, we can meet and consider any Resolution or Bill that the Government may bring forward.

'' Also, I want to know from the Hon. the Finance Minister whether this amount is accountable or not? I also want to know whether the money spent by the Governor also will come up before this House for approval. I want to get all this information and that is why I moved this amendment.''

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SRI S. RAMALINGAM :—" Sir, it is stated in the Statement of Objects and Reasons that

> ' Expenditure incurred from the fund from April to September 1953 on account of the composite State of Madras could not be recouped to the fund as required by section 2 (3) of the Act due to the partition of the State. "

" முன்னமேயே சொல்லியது போல ஒரு கோடி ரூபாயில் கவர்னர் எவ்வளவு செலவு செய்தார். இதெல்லாம் ஒன்றும் சொல்லுவது இல்லை. ஆந்திர தேசம் பிரிந்த பிறகு ஏன் ஒரு கோடி ரூபாய் ரிப்ளேஸ் (replace) பண்ணவில்லை என்பதை தெளிவு படுத்திஞல் நன்ருக இருக்கும். "

* SRI K. VINAYAKAM :—" Sir, I am not harping on the point that this Bill should be referred to a Select Committee and I dissociate myself from that motion. But, by way of information, I would like to know what is the amount now in the Consolidated Fund with the Government of Madras? "

* THE HON. SRI C. SUBRAMANIAM :—" Sir, it is a daily account of the cash balance standing to the credit of the Madras Government. I am not able to give the information off-hand. It will be about Rs. 6 crores now. 2-40 p.m.

" The difficulties raised by hon. Members, Sri K. P. Gopalan and Sri S. Ramalingam, have some importance because there seems to be a misapprehension that this sum of Rs. 75 lakhs is intended for use as discretionary grants to be spent at the discretion of either the Governor or the Government. There is absolutely no such thing. If only the hon. Members would go through Articles 204, 205 and 206 of the Constitution, I am sure that all these doubts will be very easily cleared. The point to be remembered in this connexion is that we cannot draw any amount from the Consolidated Fund except under the authority of the Legislature. The Governor is there only representing the Government and this has nothing to do with the discretionary grants of the Governor or any such thing. The Government as such could draw monies from the Consolidated Fund only with the authority of the Legislature. It is the Appropriation Act which gives this power to the Government but the monies could be drawn only with reference to the various items and schemes mentioned therein for which specific Grants have been made by the Legislature. But, sometimes unforeseen expenditure on new schemes have to be incurred. I will mention to the House an instance which happened last year before the partition of the State. We had to incur large expenditure over the location of the Andhra Capital. There was no Budget provision but the amounts had to be spent. We had to meet this expenditure from the Contingency Fund. So also, a new scheme may have to be started suddenly which was not contemplated before. It may be that a new health scheme may have to be started or, take for instance, expenditure on famine relief work. Suppose that sufficient provision has not been made in the Budget and we have to start new schemes of famine relief works. We cannot be summoning the Legislature immediately for getting its authority. So, we spend the money towards these new services from the Contingency Fund. It is not as if the amounts

spent from the Contingency Fund do not come before Legislature for scrutiny and sanction. Every item has got to be placed before the Legislature under Articles 204, 205 and 206 of the Constitution and specific sanction obtained later on. Every amount has got to be ratified by the Assembly and then only the amount expended from the Contingency Fund can go back into the Fund. The discussion on these Supplementary Demands takes place as in regard to any other Demand during the General Budget Discussion. There have been no Supplementary Demands this year because every item of expenditure has been ratified by the Andhra State Bill. This is a peculiar situation which may not arise hereafter. I can assure hon. Members that whatever amounts the Government spend outside the Budget will be brought for ratification before the Assembly. There is no question, therefore, of this Fund being utilized for any unauthorized purpose without the proper sanction of the Legislature. This Fund is something like what we call in business a 'Suspense Account'. Money is spent immediately the need arises and subsequently the ratification of the Assembly is obtained. In regard to such expenditure, proper safeguards have also been laid down in the Constitution in Articles 205 and 206. I can assure hon. Members that by the creation of this Contingency Fund no irregularities can occur. It is only in pursuance of Article 206 of the Constitution that we are setting up this Fund and apart from this, there is nothing else. I would, therefore, request the hon. Member Sri K. P. Gopalan to withdraw his amendment to refer this Bill to a Select Committee which is absolutely unnecessary."

SRI S. RAMALINGAM :—" Sir, on a point of explanation. Sir, இதிலே 1953 ஏப்ரல்-செப்டெம்பர் மாதங்களில் தனியாக எவ்வளவு தொகை செலவழிக்கப்பட்டிருக்கிறது என்று எடுத்துச் சொல்லப்படவில்லை. எதற்கு எதற்காக செலவுசெய்யப்பட்டது. என்பதைத்தான் நான் கேட்கிறேன். பொதுவாக கொள்கை பற்றி ஒன்றும் குறிப்பிடவில்லை.

* THE HON. SRI C. SUBRAMANIAM :—" Sir, a sum of Rs. 77 lakhs was spent out of this one crore of rupees in the first six months. Out of this Rs. 77 lakhs, Rs. 40 lakhs were spent on expenditure incurred in connexion with the location of the Andhra Capital and about Rs. 20 to 25 lakhs were spent on various other small schemes. About Rs. 23 lakhs being the balance available will go back to the Consolidated Fund of our State and we will be constituting a new Contingency Fund with Rs. 75 lakhs. All the details regarding the expenditure met from the Contingency Fund will be placed item by item at the next Budget session."

SRI K. P. GOPALAN :—" Sir, I withdraw my amendment."

The amendment was, by leave of the House, withdrawn.

MR. SPEAKER :—" I will now put the original motion to the vote of the House."

* SRI P. S. KRISHNASAMY AYYANGAR :—" Sir, I have not given notice of any amendment but I would like to suggest a verbal alteration."

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MR. SPEAKER :—" The hon. Member need not move any amendment now. He has got every right to do so when the Bill is taken up clause by clause. The question is—

'That the Madras Contingency Fund Bill, 1953, be taken into consideration at once.' "

The motion was put and carried.

Clause 2.

* SRI P. S. KRISHNASAMY AYYANGAR :—" Mr. Speaker, Sir, in sub-clause (2) of clause 2, the Governor is given the authority to make advances from the Contingency Fund 'pending authorization' of the same by the State Legislature. The word 'pending' would indicate that the matter is already under consideration by the State Legislature and I think that the Hon. the Minister in charge of the Bill means by that expression 'in anticipation of'. So, the words 'in anticipation of' would be better than 'pending'. 'Pending' would indicate that the matter has already been brought before the Assembly and it is being actually considered by it when the expenditure is incurred. Suppose the Assembly is not in session when an expenditure is incurred and it is then brought before the Assembly for ratification. The Assembly could then say that it was never put before them for their consideration and it was never pending their consideration and therefore they would not authorize the particular expenditure. So, to obviate such difficulties, the better expression would be 'in anticipation of'. This is the verbal alteration that I want to suggest."

* THE HON. SRI C. SUBRAMANIAM :—" Sir, I do not think it would be proper to put the expression 'in anticipation of authorization' for the words 'pending authorization'. The words 'pending authorization' are quite proper and when we say 'pending authorization' it does not mean that the matter should be actually pending before the Legislature. It is only the authorization that has to come later on. I think it is quite proper as it is."

Clause 2 was put and carried.

Clause 3.

SRI S. RAMALINGAM :—" Sir, I want the words 'and the rules be placed before the State Legislature' be included at the end of clause 3."

THE HON. SRI C. SUBRAMANIAM :—" Sir, it is a very simple Bill and I do not think such a provision is necessary."

Clause 3 was put and carried.

Clause 4 was put and carried.

Clause 1.

* THE HON. SRI C. SUBRAMANIAM :—" Mr. Speaker, Sir, I move—

'*That for the figures* '1953', *the figures* '1954', *be substituted.*' "

The amendment was put and carried.

Clause 1 as amended was put and carried.

The Preamble was put and carried.

* THE HON. SRI C. SUBRAMANIAM :—" Sir, I move—

'*That the Madras Contingency Fund Bill*, 1953, *as amended be passed into law.*' "

The motion was carried and the Bill was passed into law.

(4) THE MADRAS HEREDITARY VILLAGE OFFICES (EXTENSION TO PUDUKKOTTAI) BILL, 1953.

2-50 p.m. * THE HON. SRI M. A. MANICKAVELU NAICKER :— " Sir, I beg to introduce the Madras Hereditary Village Offices (Extension to Pudukkottai) Bill[a], 1953, and move—

'*That the Bill be taken into consideration at once.*'

" Sir, when the three States—Pudukkottai, Banganapalli and Sandur—were merged with our State, the laws applicable in the area other than the merged States were not applied to those States. As far as application of Central laws to those merged States were concerned, the Central Government stated that they themselves would undertake necessary legislation in the matter and as far as the State laws were concerned, the Central Government left it to the State Government to enact suitable legislation for extending the State laws to the merged States. By the Madras Merged States (Laws) Act, 1949, certain important laws were extended by the Government of this State to the merged areas. But the Madras Hereditary Village Offices Act, 1895 was not extended to the merged territory of Pudukkottai State. In order to bring in line the law that is prevalent in most parts of the State other than the merged areas, this Bill is brought forward to extend that law to the former Pudukkottai State also. In this connection, I may also state that the previous Pudukkottai Durbar made some of the village offices, for example the office of karnam, in the Pudukkottai area hereditary in character. If the present Madras Hereditary Village Offices Act is not extended to the Pudukkottai area to cover those village offices of karnams which have been declared as hereditary by the previous Pudukkottai Durbar, there will be an anomaly because there will be no suitable law governing those offices. In order to regularise this and also to extend the prevailing law to that small area of the old Pudukkottai State, this Bill has been brought forward."

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[a] Published in the *Fort St. George Gazette*, dated 9th April 1953.